

BUSINESS PROPERTY TAX CREDIT

Prior Law

Applications for the Business Property Tax Credit (“BPTC”) were to be filed on or before March 15 preceding the fiscal year during which the taxes to which the credit was applied were due and payable. A Property that had a primary use as commercial, industrial, or railway, and a portion of the property was used for human habitation was given a dual classification under Iowa Code section 441.21. The commercial, industrial or railway portion of a property that received a dual classification was eligible for the BPTC.

New Provisions

Section 2 of the Act changes the application deadline to July 1 preceding the fiscal year during which the taxes for which the credit is claimed are due and payable, beginning with credits claimed against taxes due and payable beginning July 1, 2017. The application deadline remains March 15 for credits claimed against taxes due and payable before July 1, 2017. Accordingly, applications for credits claimed against taxes due and payable in the fiscal year beginning July 1, 2016, are due March 15, 2016. Applications for credits claimed against taxes due and payable in the fiscal year beginning July 1, 2017, are due July 1, 2016.

Section 3 of the Act designates a parcel that has a primary use as multiresidential property and has commercial or industrial portions shall receive a dual classification under Iowa Code section 441.21(13). Railway property is no longer eligible for dual classification. Section 1 of the Act redefines “parcel” to add the commercial and industrial portions of property newly designated as dual classification as eligible parcels for the BPTC.

Section Amended

House File 616, sections 1 and 2 amend Iowa Code sections 426C.1 and 426C.3.

Effective Date

July 1, 2015